GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3243
ANSWERED ON:18.12.2015
Photograph of Loan Defaulters
Charitra Shri Ram

Will the Minister of FINANCE be pleased to state:

(a) whether there is a provision to publish photographs and names of farmers in the defaulters list of banks to defame people who could not repay their loan amount due to certain reasons and if so, the details thereof;

(b) whether the Government is aware of the resentment from the farmers across the country who are angry and disappointed after their photographs were published in such defaulters list by banks;

(c) if so, the details thereof; and

(d) the reaction of the Government thereto?

Answer

The Minister of State in the Ministry of Finance

(a) to (d): Reserve Bank of India (RBI) has reported that they have not issued any specific instruction in this regard. In terms of RBI's Master Circular on Wilful Defaulters dated 01.07.2015, instructions have been issued to Banks /Financial Institutions (FIs) with regard to:-
(i) Penal measures to be initiated by the banks and financial institutions against the willful defaulters, which inter-alia provides that no additional facilities should be granted by any bank/FI to the listed willful defaulters; and the legal process, wherever warranted against the borrowers / guarantors and foreclosure for recovery of dues, should be initiated expeditiously.
(ii) Criminal action against willful defaulters.
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